

Serving the communities of Chula Vista and National City

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National City bank showing signs of growth

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Growth is evident for Neighborhood National Bank (NNB) as the business recently received a couple of major deposits. NNB, which has one facility in National City, received a \$3 million deposit from the office of the San Diego County Treasurer-Tax Collector recently. The deposit is the second major one of its kind that NNB has received this year from a municipality, the first coming from the city of National City. The deposit allows the bank to continue to promote economic development from within the underserved communities it services throughout San Diego County. NNB also received a significant deposit from the Otay Water

District made possible by the Certificate of Deposit of Account Registry Service (CDARS) program. The \$1 million deposit is the third such transaction made to the bank by a municipality this year. "As a district, we wanted to find a way to invest our funds locally so that they could be used to benefit our community and provide us with security of principal — NNB and the CDARS program provide both," stated Otay Water District's General Manager Mark Watton. "That, coupled with the competitive return that Neighborhood National Bank offers, this is a program that fits well within the investment policy of the district." Leila Henry of The Alarus Agency said the deposits give community banks such as NNB the funds to con-

tinue their mission, which is to financially serve and economically develop their communities. "I think CEO and chairman Bob McGill summed it up best when he said, 'More deposits means more loans to the community—loans to homeowners, small businesses and families,'" Henry said. NNB opened to the public in 1997 and was the first bank to be designated by the U.S. Treasury as a nationally chartered Community Development Bank (CDB), and a Community Development Financial Institution (CDFI). NNB was the first bank in Southern California to offer the CDARS program to municipalities, which allows government agencies to receive up to \$50 million of Federal Deposit Insurance (FDIC) instead of the standard \$100,000 per Certificate of Deposit. The state legislative bill that made the CDARS municipal deposit program possible was signed into law in January 2007. Look for more growth from NNB, as Henry added that the business is opening up a new East County branch in early 2008.

